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R 081013Z MAY 08
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC 8879
INFO RUEHBJ/AMEMBASSY BEIJING 8245
RUEHHK/AMCONSUL HONG KONG 9489

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DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [TW](#)
SUBJECT: MEDIA REACTION: U.S.-TAIWAN RELATIONS

Summary: Taiwan's major Chinese-language dailies focused news coverage May 8 on the investigation into Taiwan's Papua New Guinea diplomatic fund scandal; on the allegation that Taiwan's Ministry of Economic Affairs wants to sell off the Sino Swearingen Aircraft Corporation before May 20; and on the Sino-Japan summit with the fourth communique signed. In terms of editorials and commentaries, an editorial in the pro-unification "United Daily News" urged that both sides across the Taiwan Strait stop the zero-sum game of money diplomacy, saying that competing on the diplomatic front is old Cold War thinking. An op-ed in the mass-circulation "Apple Daily" urged that Taiwan's President-elect Ma Ying-jeou not only continue building up Taiwan's defense capability in order to counter China's threat, but also reinforce Taiwan's security cooperation with the United States in several aspects. End summary.

A) "Both Sides Across the Strait Cease Fire: Stop the Competition of Money Diplomacy"

The pro-unification "United Daily News" [circulation: 400,000] editorialized (5/7):

"The Papua New Guinea (PNG) scam worth NT\$1 billion (US\$30 million) is like a monster-revealing mirror that reveals all the [Chen Shui-bian administration's] abuse of power, incompetence and perversion. Now it demonstrates that 'beacon-fire diplomacy' even comes down to the nest of corruptive scandals. The upcoming administration not only has to investigate and deal with the problems but also has to remember the lesson and explore a feasible way of peaceful diplomacy in cross-Strait relations and stop the meaningless competition of money diplomacy.

"The long-term dogfight of both sides across the Strait on the diplomacy front is the residue of the Cold War. Taiwan always believes that maintaining a certain number of countries with diplomatic ties is essential for living. On the other hand, the Chinese Communists think that if [it] does not suppress [Taiwan] as much as possible on the diplomacy front, Taiwan will take the opportunity to declare independence. But when the trend of the times is changing, when the world is becoming flatter, when the fences among countries are drawing back and the barriers to cross-Strait economic and trade exchanges are being torn down gradually, cannot both sides [across the Strait] change their thinking in foreign affairs?

"Internally, the KMT's 'dollar diplomacy' used to suffer extensive criticism. After the DPP came to power, it changed [the KMT policy] to 'beacon-fire diplomacy' and constantly uses a 'strategy of collision' to simmer the consciousness of enemy and friend. In reality, [beacon-fire diplomacy] only provides [Taiwan's President] Chen Shui-bian with an extravagant stage to extend the internal [power] struggle through 'head of state diplomacy.' From the point of view of a country's overall interests, it is more a loss than gain. In the last eight years, Taiwan not only has left the image of being 'a trouble-maker' internationally, but even the United States, who is always friendly to us, gradually feels even more impatient. Besides, Taiwan has not been able to participate in any

international organizations by 'attacking and forcing its way in.' Instead, it makes the Chinese Communists reinforce containment and make Taiwan even be more marginalized in the region.

"The occurrence of the PNG scam illustrates that the DPP's diplomatic strategies are not only totally wrong, but they also degenerate into corruptive politics covering up each other: nonprofessionals lead; money commands; goals are ambiguous; top and bottom[-level officials] pursue fame and wealth; and the dignity of the country is lost completely. Stripping off the outer clothing of collision diplomacy, only opportunism and emptiness are left.

"In the last eight years, the [Chen Shui-bian] administration has only gained three diplomatic allies but lost nine diplomatic allies, which really was a terrible loss. During that period of time in which Taiwan many times was provocative, overestimating its own capability and suffering Beijing's revenge by [Taiwan's] strongholds being pulled out. Just take two examples that happened during [Taiwan's former Minister of Foreign Affairs] James Huang's tenure. One happened last year when our country established ties with Saint Lucia, a country with a population of no more than 100,000, the Chinese Communists immediately and rapaciously took Costa Rica, our very important diplomatic ally in Central America, one month later. The other was two years ago, when Chen Shui-bian landed in North African country of Libya in order to implement his global rogue diplomacy, which he thought of as a significant breakthrough. Nevertheless just a few months, the Chinese Communists seized Chad, our diplomatic ally in Africa, as retaliation, and did it just before [Taiwan's former] Premier Su Tseng-chang made his overseas trip for the express purpose of embarrassing Su. [The Chen Shui-bian] administration's tactics of being pound-foolish and getting one while losing three are not only utterly foolish but also reveal [the administration's] own shortcomings.

"Externally, money diplomacy has gradually deteriorated from 'necessary sins' to 'shameful sins.' Other than that many countries, learning from past experience, have been swaying between and blackmailing both sides across the Strait, the 'shelf life of formal diplomatic relations' that can be bought by money is getting shorter and shorter, as countries with formal ties [with Taiwan] move toward democracy. From time to time in the past few years, [money diplomacy] has become the target of exposures and attacks by opposition parties and international news media. The involvement of money not only has contaminated the politics of counterpart nations while facilitating the authoritative rule of their corrupt officials, but it may become a tool for oppression against democracy and human rights in the counterpart nations. In recent years, dollar diplomacy has become a major factor implicating Taiwan's image. The PNG scandal, in addition to wasting taxpayers' hard-earned money, has made Taiwan an international laughingstock. Isn't there enough harm done by dollar diplomacy?

"It appears difficult for the two sides across the Strait to seek a 'diplomatic ceasefire.' But it takes, in fact, nothing but a simple turnaround of thoughts. From Lee Teng-hui's 'two-state discourse' to Chen Shui-bian's 'name correction movement,' cross-Strait relations were brought into a narrow alley. Precisely because of the confrontation and wasteful dealings for more than a dozen years, the two sides across the Strait should deeply recognize that this kind of 'zero-sum game' is not helpful for each other's overall situation. Seen from a long-term historical perspective, unprecedented circumstances can be seen in the current cross-Strait ice-thawing opportunity: not only do both Taipei and Beijing's leaders maintain high degrees of goodwill for exchanges, but the results of Taiwan's democratic elections also indicate that the majority is happy to see the two sides engaging with each other peacefully. Based on these [circumstances], it should not be difficult for diplomatic personnel of the two sides to find a proper approach to peaceful co-existence. There is no need to fight a you-win-I-lose war any more.

"One needs new thinking to create a new situation. Both the new president Ma Ying-jeou and the new foreign minister Francisco Ou support a 'diplomatic ceasefire.' This is a pragmatic introspection of [Taiwan's] diplomatic course. However, how to embody this concept and realize it as a consensus that can be accepted and abided by across the Strait depends on the wisdom and creativity of

the two sides. Among the basic ideas can be: based on the '1992 consensus/one China with different definitions,' Taiwan has been the legitimate Republic of China all these years. Therefore, there is no need for 'name correction and a new constitution.' The Chinese Communists should stop seizing away Taiwan's diplomatic recognition and coercing and containing Taiwan's participation in international activities as well as preventing Taiwan from expanding its 'international space.' By doing so, the two sides can spend their money and energy for operations more beneficial to their internal affairs and affairs of the international community. This will be a win-win game.

"One can smell spring in the ice-melting goodwill across the Strait. But when thinking of trade and economic exchanges, the factor of a diplomatic ceasefire should be taken into account. Only then can it be a complete strategy. If the billion-dollar scandal can help bring about a diplomatic ceasefire, then the price would not be paid for nothing."

B) "Ma Should Be Careful Not to Weaken [Taiwan's] Defense Capability While Pursuing His Defense Policy"

Fu S. Mei, director and editor-in-chief of the Taiwan Defense Review, opined in the mass-circulation "Apple Daily" [circulation: 520,000] (5/7):

"... If the incoming administration expects to promote peaceful cross-Strait dialogue in the coming eight years, the continuous accumulation of our country's self-defense capability should not really be suspended.

"Ma's administration is likely to review the priority of [Taiwan's] investment in defense. Building the national defense capability cannot only be evaluated based on short-term political or strategic losses and benefits but also comprehensively based on its impact on long-term national security. For example, Ma's national security staff is always concerned that 'offensive weapons,' such as the 'Hsiung Feng II-E' cruise missiles and submarines, might constitute a factor of 'instability' to the situation across the Taiwan Strait as well as the United States' views on [the offensive weapons]. However, the surface-to-surface cruise missiles and submarines are not the only legitimate, non-replaceable, and fighting requirement militarily and defensively that has undergone serious and professional analysis, but also an actual strength that China will really care about in cross-Strait political negotiations in the

future. ...

"Another important issue is the strategic relationship and cooperation between Taiwan and the United States. Ma's administration eagerly wants to mend relations between Taiwan and the United States and wants to use concrete moves to dispel suspicions that the United States had on the Blue camp regarding [the Blue camp's] boycott against the arms procurement budget over the last few years. The procurement of F-16 fighter jets has been regarded a touchstone. Washington's most recent position is that the upcoming administration proposed applying again. In fact [the United States] is obviously showing the green light. ...

"Promoting security cooperation with the United States military, one has to know well what agendas and thinking the United States cares about, then borrows that strength and uses that strength. For example, in the last few years, [Taiwan's] Ministry of National Defense has tried many times to negotiate with the United States to establish a 'Military Maritime Consultative Agreement, MMCA,' which the United States military had with the People's Liberation Army, but all efforts were refused [by the United States]. An F-16 fighter jet of Taiwan's air force crashed in Taiwan's east coast this March. For the very first time, the United States military at its on initiative sent aircraft and vessels and secretly participated in the rescue. According to the United States officials' admission to the author, the major motivation of that rescue was not only humanitarian rescue, but also because the lost F-16 fighter jet had been equipped with advanced Link-16 system and coding machine compatible with the United States military through the 'Po Sheng Project'. These [items] are most treasured by the United States military, and that is why the United States wants to make sure the classified equipment does not fall into a third

country's hand. As a result, dealings with the United States has to cut [from the angle] of the United States national security interests. By taking advantage of what the United States cares about, [Taiwan] can promote some kind of mechanism of maritime security cooperation that is advantageous to us."

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